

For: State and County Offices and CMA's

**Crop Year 2015 Recourse Loans**

Approved by: Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Recourse loans are MAL's for which the commodity offered as collateral does not meet the quality eligibility requirements according to the applicable MAL policy handbook, and:

- may **not** be delivered or forfeited to CCC in satisfaction of the loan indebtedness
- **must** be repaid in full on or before the loan maturity date at principal plus interest only.

Recourse loans include the following:

- low quality commodities or any commodity otherwise eligible for nonrecourse loans, but does not meet the quality eligibility requirements according to the applicable MAL policy handbook
- distress loans on any commodity that is not stored in eligible storage
- high moisture (HM) corn or grain sorghum
- acquired grain for HM corn or grain sorghum
- cracked, rolled, or crimped corn.

Funding is now available for crop year 2015 recourse loans that are disbursed in FY 2015.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2015	State Offices; State Offices relay to County Offices and CMA's

## Notice LP-2211

### 1 Overview (Continued)

#### B Purpose

This notice informs State and County Offices of the following:

- funding is now available for crop year 2015 recourse loans disbursed in FY 2015
- recourse MAL applications shall be accepted and processed according to 8-LP.

#### C Contact

If there are policy questions about this notice, State Offices shall contact DeAnn Allen, PSD, by either of the following:

- e-mail to [deann.allen@wdc.usda.gov](mailto:deann.allen@wdc.usda.gov)
- telephone at 202-720-9889.

### 2 Action

#### A State Office Action

State Offices shall inform their County Offices that:

- funding for crop year 2015 recourse loans disbursed in FY 2015 is now available
- recourse loan applications shall be accepted and processed by County Offices according to 8-LP.

#### B County Office Action

County Offices shall accept and process recourse loan applications for crop year 2015 that will be disbursed in FY 2015, according to 8-LP.

**Note:** Crop year 2015 distress recourse loans will be processed in APSS until the second Commodity Loan Processing System release.